

ROUTING SLIP

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	EXDIR				
4	D/ICS				
5	DDI		X		
6	DDA				
7	DDO		X		
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/OLL				
14	D/PAO				
15	D/PERS				
16	VC/NIC	X			
17	NIO/EUR		X		
18	NIO/USSR		X		
19	NIO/NESA		X		
20	D/EUR/DI		X		
21	C/EUR/DO		X		
(22)	ER				
SUSPENSE		Date			

Remarks

To 16: Please see that required intelligence community actions (SNIE, and seeing Malta receives priority attention) are undertaken.

STAT

Executive Secretary

12 Feb 86

Date

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February 12, 1986

MEMORANDUM FOR THE VICE PRESIDENT
THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF COMMERCE
THE DIRECTOR, OFFICE OF MANAGEMENT
BUDGET
THE DIRECTOR OF CENTRAL INTELLIGENCE
UNITED STATES REPRESENTATIVE TO THE
UNITED NATIONS
THE UNITED STATES TRADE REPRESENTATIVE
CHIEF OF STAFF TO THE PRESIDENT
THE ASSISTANT TO THE PRESIDENT FOR POLICY
DEVELOPMENT
THE CHAIRMAN, COUNCIL FOR ECONOMIC ADVISERS
CHAIRMAN, JOINT CHIEFS OF STAFF
DIRECTOR, UNITED STATES INFORMATION AGENCY

SUBJECT: NSDD on "U.S. Policy Toward Malta" (U)

The President has approved the attached National Security
Decision Directive on "U.S. Policy Toward Malta." (C)

FOR THE PRESIDENT:



Donald R. Fortier
Deputy Assistant to the President
for National Security Affairs

Attachment
NSDD- 213

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WASHINGTON

NATIONAL SECURITY DECISION
DIRECTIVE NUMBER 213

February 12, 1986

U.S. POLICY TOWARD MALTA (U)

This directive defines U.S. policy toward Malta in light of Malta's move to enhance ties to Libya and the Soviet bloc, accompanied by an increasingly authoritarian style of government. The situation warrants close U.S. monitoring, consultation with our Allies, and a modest expansion of U.S. resources designed to help keep Malta nonaligned and free from foreign exploitation or domination. The United States will maintain businesslike relations with the present regime, but will not extend extraordinary support (e.g., economic assistance or high-level visits) as long as the Maltese government's erratic behavior jeopardizes Western interests and Malta's democratic institutions. (S)

OBJECTIVES

- Deny the Soviet Union and Libya use of Malta for military purposes. (S)
 - Persuade Malta to fulfill its declared policy of neutrality and nonalignment. (S)
- Prevent Malta from serving as a base for or providing indirect support for international terrorism. (S)
- Maintain Malta's traditional Western orientation and democratic system. (C)
 - Nurture Malta's economic links to the West. (C)
 - Encourage the government to permit free elections, due by 1987. (C)
 - Discourage the government's assault on democratic institutions. (C)
 - Encourage support for the Nationalist Party (NP) and any democratically inclined members of the Maltese Labor Party (MLP). (C)

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- Weaken political, economic and military links between Malta and Libya, and reduce Maltese support for Libya in international fora. (C)

ACTION

To promote the above objectives, the United States will take the following actions:

- Political/Diplomatic

- Increase consultations with the PRC (which has a substantial presence in Malta), the Holy See, and our NATO allies (especially Italy, the FRG, and the UK, whose interests are most directly affected). (S)
- Instruct our ambassador to Malta to take every opportunity to:
 - a) express publicly and privately our support and sympathy for the democratic process in Malta and the maintenance of human rights;
 - b) reiterate our expectation that Malta will remain true to its avowed policy of neutrality and nonalignment;
 - c) make clear to the Government and people of Malta that the U.S. and its Allies would consider the granting by Malta of military access to Libya, North Korea or to the Soviet Union and its allies as an unfriendly act and respond accordingly. (S)
- Impress upon the Maltese that it is up to them to establish an attractive investment climate. (C)
- Cease responding to requests for assistance on items that do not warrant action (e.g., Malta's request to become an East-West financial center). (C)
- Withhold extraordinary support from the present Labor Party regime while the opposition retains some chance of returning to power in 1987. (S)
- Maintain frequent contact with Maltese officials, demonstrating that we take them seriously and will consider any reasonable proposal for political or economic cooperation. (C)
- Turn aside Maltese requests for meetings with the President or other senior officials above the Under Secretary level, but consider more frequent visits by officials at an appropriate level. (C)

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- Enhance contact with Nationalist Party leaders and any MLP leaders who show willingness to preserve democratic norms. (C)
- Promote contact with the NP through the international Christian Democratic movement. (C)
- Utilize Project Democracy to encourage the democratic process through contacts with nonpolitical, democratically inclined organizations such as the Chamber of Commerce. (C)
- Public Diplomacy Efforts
 - Seek Congressional approval to boost the USIS information effort and staff in order to:
 - a) give the Maltese a clearer picture of U.S. policies; and
 - b) better expose and counter Soviet propaganda and disinformation.
 - c) give the Maltese a clearer understanding of Libyan intentions involving Malta. (C)
 - Increase leader grants and other exchanges. (C)

To enhance cooperation with Malta, the USG will be prepared to offer the following incentives to Malta on an incremental basis, depending upon the actions of the Maltese government toward basic US national security objectives:

- Economic Efforts
 - Continue the AID Excess Property program, including the promised, one-time "lift of opportunity" by U.S. naval vessels to Naples. (C)
 - Call attention of U.S. firms to trade and investment opportunities in Malta. (C)
 - Have OPIC and Commerce sponsor a series of trade and investment missions to Malta. (C)
 - Encourage U.S. firms to consider Malta as a trans-shipment point for grain. (C)
- Military/Security Programs
 - Offer \$25,000 to \$50,000 in FY 1986 or FY 1987 for International Military Education and Training (IMET). (S)

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- Cooperate with the GOM in such intelligence/security areas as counterterrorism, when such cooperation advances U.S. interests. (S)
- Intelligence
 - Include Malta among those countries requiring close and continuous monitoring by the U.S. intelligence community. Particular attention should be directed toward growing Libyan political, military and economic ties with and influence in Malta. (S)
 - The intelligence community should initiate on an urgent basis a Special National Intelligence Estimate (SNIE) designed to examine the entire scope of Libyan interaction with Malta. The focus of the study should be on assessing the impact of Malta's military cooperation with Libya and its significance for Western security interests in the Mediterranean. (S)

FOLLOW-UP

The Department of State will be responsible for the overall implementation of this directive and coordination with other USG agencies. State will conduct an interagency review of Maltese-U.S. relations by 1 December 1986 with particular attention to the impact of the policy initiatives outlined in this directive. State will report to the NSC by 1 January 1987 with respect to further steps that should be taken. (S)

Ronald Reagan

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